

The Regular meeting of the Finance/Executive Committee of the Atlanta City Council was held Wednesday, July 12, 2006 at 1:00 p.m. in Committee Room #2, City Hall South, 2<sup>nd</sup> Floor.

**Present:** Councilmember Howard Shook, Chair                      Janice D. Davis, CFO  
Councilmember Felicia A. Moore                      Departmental Staff  
Councilmember Kwanza Hall  
Councilmember Jim Maddox  
Councilmember H. Lamar Willis  
Councilmember Clair Muller  
Councilmember Cleta Winslow

Chairperson Shook called the meeting to order at 1:15 p.m. after declaring a quorum present. The Committee members present were introduced as follows: Councilmembers Felicia A. Moore, Kwanza Hall, Jim Maddox, H. Lamar Willis, Clair Muller and Cleta Winslow. Other Departmental staff was present as well.

The Agenda and Addendum Agenda were Adopted as printed with two new First Read Ordinances. Minutes of the June 28, 2006 Regular Finance/Executive Committee meeting were also adopted.

Continuing, Councilmember Maddox wanted to know if the Committee could take the Beltline papers first. Councilmember Moore stated that she wants to take the Addendum Agenda first because we have a guest here to speak to one of the papers. She stated that she will not vote on the Beltline paper because she did not receive it until last night. She then stated that if we go through the Agenda first maybe she will have a chance to read some of it.

#### **ADDENDUM AGENDA**

##### **TO APPOINT MR. ROBERT F. ASHURST, CPA, TO THE CITY OF ATLANTA AUDIT COMMITTEE**

06-R-1587 (1)                      A Resolution by Finance/Executive Committee to appoint Mr. Robert F. Ashurst, CPA, to the City of Atlanta Audit Committee as one of the three at-large members appointed by the entire City Council, for a term of three (3) years, said term to begin upon the approval of this Resolution; and for other purposes.

#### **HELD**

Councilmember Moore stated that Mr. Woody would like to stay on even though his term has expired. We should not appoint someone else until the first of October.

##### **TO APPOINT MR. DONALD T. PENOVI, CPA, TO THE CITY OF ATLANTA AUDIT COMMITTEE**

06-R-1588 (2)                      A Resolution by Finance/Executive Committee to appoint Mr. Donald T. Penovi, CPA, to the City of Atlanta Audit Committee as one of the three at-large members appointed by the entire City Council, for a term of three (3) years, said term to begin upon the approval of this Resolution; and for other purposes. **(Finance/Executive Committee Amendment states that Mr. Penovi will serve the unexpired term of Mr. Henry Kelly, which will end in April 2008, 7/12/06)**

#### **FAVORABLE AS AMENDED**

Councilmember Moore stated that this paper needs to be Amended to read that Mr. Penovi is appointed to serve the unexpired term of Mr. Henry Kelly and not the full three years. His term will end in April 2008.

**Mr. Donald T. Penovi:** addressed the Committee by stating that he grew up in Florida and is originally from New York. He received his Masters Degree in Florida and his certification is current. He is currently doing Auditing work and he understands the duties he will be performing. He is familiar with our ethic regulations and disclosures. Councilmember Moore offered a motion to **Approve as Amended, 7 Years**. Chairperson Shook thanked Mr. Penovi for his willingness to serve.

**TO AUTHORIZE THE CITY OF ATLANTA TO WAIVE THE COMPETITIVE PROCUREMENT PROVISIONS IN ARTICLE X**

06-O-1463 (1) An Ordinance by Transportation Committee Authorizing the City of Atlanta to waive the competitive Procurement provisions in Article X, Procurement and Real Estate Code, of the City of Atlanta Code of Ordinances, on a month-to-month basis to obtain continued services for the Department of Aviation under an expired contract with Forever Green Interiorscapes, for interior landscaping maintenance services, at Hartsfield-Jackson Atlanta International Airport in an amount not to exceed forty seven thousand two hundred eight dollars and no cents (\$47,208.00); all contracted work to be Charged To and Paid From Fund, Account and Center Number: 2H21 (Airport Renewal and Extension Fund) 523001 (Serv/Repair/Maint Cont.) R21001 (Hartsfield Capital Programs); and for other purposes.

**FAVORABLE ON FIRST READ**

**TO AUTHORIZE THE CITY OF ATLANTA TO WAIVE THE COMPETITIVE PROCUREMENT PROVISIONS**

06-O-1464 (2) An Ordinance by Transportation Committee Authorizing the City of Atlanta to waive the competitive Procurement provisions contained in Article X, Procurement and Real Estate Code, of the City of Atlanta Code of Ordinances, on a month-to-month basis to obtain continued services for the Department of Aviation under an expired contract with ADT Security Services, Inc., for technical support for Airport Dispatch and Communications Center, at Hartsfield-Jackson Atlanta International Airport, for an amount not to exceed four hundred ninety five thousand dollars and no cents (\$45,000.00); all contracted work to be Charged To and Paid From Fund, Account and Center Number: 2H01 (Airport Revenue Fund) 523001 (Serv/Repair/Maint Cont.) X24002 (Airport Comm Dispatch Center ('97 Budget); and for other purposes.

**FAVORABLE ON FIRST READ**

**TO AUTHORIZE THE MAYOR TO EXECUTE A QUITCLAIM DEED**

06-O-1486 (3) An Ordinance by Finance/Executive Committee Authorizing the Mayor to execute a Quitclaim Deed transferring the City of Atlanta's Purported Interest obtained by a Tax Deed in property located at 750 Terry Street, S.E., Atlanta, Fulton County, Georgia to Dorothy Cusak, the Defendant in FI.FA; and for other purposes.

**FAVORABLE ON FIRST READ**

**TO AUTHORIZE THE MAYOR AND THE CHIEF FINANCIAL OFFICER TO SUPERVISE THE EXPENDITURE OF FUNDS**

06-O-1362 (1)      An Ordinance by Finance/Executive Committee Authorizing the Mayor and the Chief Financial Officer to supervise the expenditure of funds and assure the Close Out of Fiscal Year 2005; and for other purposes.

**FAVORABLE**

CFO Davis stated that this Legislation makes sure that the financial books are closed properly for 2005. She stated that after they are posted you will get a list of the account balances and it should probably be ready in early August after the Audit is done. Councilmember Hall offered a motion to **Approve, 5 Yeas.**

**TO AUTHORIZE THE CHIEF FINANCIAL OFFICER TO WRITE-OFF THREE MILLION TWO HUNDRED FIFTY NINE THOUSAND SEVEN HUNDRED SIXTY TWO DOLLARS AND TWENTY ONE CENTS (\$3,259,762.21)**

06-O-1363 (2)      An Ordinance by Finance/Executive Committee Authorizing the Chief Financial Officer to write-off three million two hundred fifty nine thousand seven hundred sixty two dollars and twenty one cents (\$3,259,762.21) on behalf of the Department of Watershed Management, Water and Wastewater Accounts Receivable, for such Accounts rendered uncollectible; and for other purposes.

**HELD**

Chairperson Shook stated that we have the option of having the City Auditor look at this first. Ms. Leslie Ward, Internal City Auditor has stated that she could get a report back to us by the end of August. He is not comfortable with writing off this large amount.

**Mr. Robert Hunter:** Commissioner of the Department of Watershed Management addressed the Committee by stating that this is the seventh write off since September 2003. The last write off was in the early 1990's. Most write offs should be done every quarter or every month. It is a practice we are striving to achieve. The \$3.2 million dollars account for 113 accounts. Some have statute of limitations that have expired. Over 31% are bankruptcies and are uncollectible. We are following sound accounting procedures. On the bankruptcies, we receive pennies on the dollar. 28% of the accounts are dealing with meter estimated accounts. We are addressing that issue through our large meter program. We will be installing small meters with automated meter reading devices as well. There are also abandoned properties on this list. For example, over 22% of the dollar amounts are bankruptcies. One is a condo that dates back to 1996. The likelihood of receiving the funds is a lost. There is one account for the Fulton County Board of Education. The disputed bill dates back to 1987 because of broken meters. There are some accounts where the wrong individual was billed. We are dealing with accounts that are 20 years old or more. They need to be removed from the books. Chairperson Shook asked if the \$3.2 million dollars take care of all of the accounts that are past four years old. Commissioner Hunter responded that there will be some rolling. Chairperson Shook asked what is the collection rate? Commissioner Hunter responded the collection rate is currently at 98% and last year it was 108%. The total amount of the write offs were 1.6%. Chairperson Shook asked what conditions occurred that caused four years to pass by. Commissioner Hunter responded that we were focusing on what we can collect. Chairperson Shook stated that four years is a long period. Commissioner Hunter responded that there was not an active collection policy. Councilmember Winslow stated that at one time we could put a

lien on the bill and the new owner would have to pay off the lien. Commissioner Hunter stated that the State Law affects our ability to lien the property on the renter's bill. If the water bill is in the name of the management company instead of the owner, we then could secure the interest of the City. Our preference is always to have the meter in the name of the property owner.

**Ms. Renee Shepherd:** Associate City Attorney addressed the Committee by stating that the Law was passed in 2001. It states that utility bills were tied to properties. When a new owner came to establish service, they had to pay the past bill. Now, utilities are excluded from placing a lien on a new property owner. We have to capture a window before the property changes hand. Some have evaded debt and are dishonest. This law says that you can't refuse water service. Commissioner Hunter responded that people come first and he received concerns about the commercial property accounts that are over \$10,000. He then stated that they currently run around \$20,000 and \$30,000. Chairperson Shook stated that we will Hold this and wait for Ms. Ward's audit report.

**Mr. Carey Duncan:** addressed the Committee by stating that he has asked Ms. Ward to do that independent audit previously. When he looks at this list, he sees someone on the list that is a multi-millionaire as well as major companies. Why do you allow a bill to be four years old? The City of Atlanta must operate as a business. This entails the property rights of homeowners. How will they sell the property with a lien on it of \$50,000? We are not treating people fairly. He recommends that the collections be turned over to Dr. Arthur Ferdinand. Councilmember Moore asked if the liens are still collectible. Commissioner Hunter responded yes, if they are written off the books. Councilmember Hall asked if taking them off of the books improve the Bond ratings. CFO Davis responded that it is a good practice, but when we realize they are uncollectible, it does not improve the bottom line. Commissioner Hunter clarified that we are making every effort to make our policy fair and equal. What you see here are large commercial operations, such as the Butler Street YMCA, which is a closed location. The City over-billed the location back in 2001. We cut off service to 3,000 to 4,000 customers every month. The Honey Baked Ham Company issue pertained to a meter that was installed and crossed, so businesses were getting the wrong bills. It was the City of Atlanta fought. We are using our Summer Intern Program to make sure every property is connected to the correct meter. Chairperson Shook stated that information was not in the Legislation. It needs to be included. Please reformat the Legislation.

**TO AUTHORIZE THE TRANSFER OF APPROPRIATIONS IN THE AMOUNT OF FIFTY FIVE THOUSAND DOLLARS AND NO CENTS (\$55,000.00)**

06-O-1364 (3)      An Ordinance by Finance/Executive Committee Authorizing the transfer of Appropriations in the amount of fifty five thousand dollars and no cents (\$55,000.00) from Fund, Account, and Center Number 1C28 (General Government Capital Outlay Fund) 792001 (Reserved Designated) M11X04519985 (Developmental Impact Fees-Transportation) to Fund, Account, and Center Numbers 1C28 (General Government Capital Outlay Fund) 574001 (Facilities Other Than Buildings) M23F04259985 (Preliminary Design and Construction Costs Hermi's Bridge Project) (\$51,667.00) and 1C28 (General Government Capital Outlay Fund) 524001 (Facilities Other Than Buildings) M23F04259985 (Consultant/Professional Services) (\$3,333.00) for the purpose of participating in the Hermi's Bridge Restoration Project; and for other purposes.

**FAVORABLE**

**Mr. James Shelby:** Deputy Commissioner of the Department of Planning and Community Development addressed the Committee by stating that this is for the restoration of Hermi's Bridge. Atlanta Region Commission (ARC) is providing \$20,000.00 along with \$55,000.00 each from the City, the Path Foundation and Cobb County. Councilmember Winslow offered a motion to **Approve, 5 Yeas.**

**TO AMEND THE CHARTER OF THE CITY OF ATLANTA, GEORGIA**

06-O-1481 (4) An Ordinance by Councilmember Clair Muller to Amend the Charter of the City of Atlanta, Georgia, adopted under and by virtue of the Authority of the Municipal Home Rule Act of 1965, O.C.G.A. Section 36-35-1, et seq., as amended, so as to amend the Charter of the City of Atlanta, Georgia, 1996 Ga. Laws P. 4469, et seq., by amending Article 6, Chapter 1, Section 6-101 (f) to provide the City with the discretion of charge Front Footage Fees; to repeal conflicting Ordinances; and for other purposes.

**FAVORABLE**

This is a **Second Reading, First Adoption.** Chairperson Shook offered a motion to **Approve, 4 Yeas.**

**TO PROVIDE FOR THE ISSUANCE AND SALE OF TAX ALLOCATION BOND ANTICIPATION NOTES (BELTLINE PROJECT), SERIES 2006**

06-O-1568 (5) An Ordinance by Councilmember Howard Shook as Substituted by Finance/Executive Committee to (1) provide for the Issuance and Sale of Tax Allocation Bond Anticipation Notes (Beltline Project), Series 2006, in an Aggregate Principal amount not to exceed \$35,000,000 (The "Series 2006 BANS"), (2) provide for the Issuance and Sale of Tax Allocation Bonds (Beltline Project), Series 2006 in the Aggregate Principal amount not to exceed \$200,000,000 (The "Series 2006 Bonds"), for the purpose of refunding the Series 2006 BANS and providing funds to pay, or to be applied or contributed toward, the payment of other redevelopment costs associated with the projects identified on Schedule 1 hereto (The "2006 Projects"), (3) amend certain provisions of the City's Ordinance Number 05-O-1733, (4) authorize and approve the designation and further delegation of its redevelopment powers to Atlanta Beltline, Inc., a subsidiary of the Atlanta Development Authority, to act as Redevelopment Agent for the Beltline TAD, (5) authorize paying expenses incident to accomplishing all of the foregoing, (6) authorize the execution of financing documents in respect of projects in the Beltline TAD including the 2006 Projects, including a Master Indenture of Trust, a First Supplemental Indenture of Trust with respect to the Series 2006 BANS, a Second Supplemental Indenture of Trust with respect to the Series 2006 Bonds, an Intergovernmental Agreement with Fulton County, an Intergovernmental Agreement with the Board of Education of the City of Atlanta, a Note Placement Contract and a Bond Purchase Contract, and (7) authorize certain other related actions, all in connection with the Issuance and Sale of the foregoing described Series 2006 BANS and Series 2006 Bonds. **(Finance/Executive Committee Substitute adds new language on page #8, Section 1.16, (the Affordable Housing Trust Fund) and new language under (the Atlanta Board of Education legislation), 7/12/06)**

**FAVORABLE ON SUBSTITUTE**

Chairperson Shook stated that there is a Substitute.

**Ms. Karen Carter:** Director of Municipal Finance addressed the Committee by stating that this paper is to start financing the Bonds for the Beltline Project. What you have before you is the Bond Ordinance and the Master Indenture of Trust. The 2<sup>nd</sup> Indenture is also in the package. It is not to exceed \$35 million dollars in BANS and the Bonds are not to exceed \$200 million dollars. It is to pay for initial planning and studies to get the project up and running. This is coming to the Finance/Executive Committee because the City is faced with the need to issue BANS given that the cost of land is increasing. This paper is to meet the market. Atlanta Beltline Inc. is prepared to move forward. We are asking for a waiver with the BANS for Affordable Housing Taskforce. The waiver will be in place before the Issuance of the BANS. Once the Bonds are issued, the guidelines will be in place. The Committee has already been briefed on the Beltline. Ms. Carter stated that the Financial Advisors team are present. Councilmember Maddox stated that he has been briefed on the paper. Moving forward as soon as possible is the right thing to do. It is something that Atlanta will be proud of. Chairperson Shook asked for the City's requirement with the Atlanta Board of Education (ABOE) and Fulton County. What is the status of their review concerning the Intergovernmental Agreement (IGA)?

**Mr. Greg Giornelli:** President of the Atlanta Development Authority (ADA) addressed the Committee by stating that the IGA is required in the form of a Resolution. This reflects the consenting Resolution that was passed last year. The Beltline Advisory Committee will appoint representatives to this Board. Their will be payments from the Tax Increments by Atlanta/Fulton County Library funds. Chairperson Shook asked are there partners. Mr. Giornelli responded that there are documents that have not been approved by Fulton County and ABOE yet. We have a high degree of confidence. There may be minor changes. Chairperson Shook stated that he did not see any large changes. Chairperson Shook asked is there any new language under the ABOE Legislation?

**Mr. Ken Nabors:** General Counsel of ADA addressed the Committee by stating that it is a clarification. Chairperson Shook stated that he is looking for a summary. Mr. Giornelli responded that Fulton County and ABOE are partners in this effort. They passed this in order to help with the parks, transit, etc. Fulton was interested in the tax amount going to the Public Library System. They are called pilot payments, which are small dollar amounts. They were also concerned about the Affordable Housing piece. The ABOE was concerned with educating children in the City of Atlanta. They are also the single largest dollar contributor to the TAD. There will be a series of pilot payments to ABOE as well. Councilmember Hall asked if pilot payments will go to Libraries. Mr. Giornelli responded yes. Councilmember Hall asked if we could issue the BANS for Affordable Housing and then figure out the policies later. Mr. Giornelli responded yes, it can only be spent for furthering Affordable Housing. 15% of every Bond Issuance shall go into an Affordable Housing Trust Fund. We do not know what the policies and goals will be. We are asking for you to allow us to issue the Bonds, but we will not spend the money until we have a policy in place. We have consulted with Atlanta Neighborhood Development Partnership (ANDP) and AHAND, who is a consortium of Affordable Housing groups. Chairperson Shook asked when will we be able to spend the money. Mr. Giornelli responded that the BANS will be issued in August, but the Bonds will be issued in the fourth quarter (November). We will bring in a recommendation. Councilmember Winslow stated that there are a couple of developers who bought property around the Beltline. Mr. Giornelli responded that they need to talk to the Commissioner of Planning. We have talked with a lot of people as well as with the Department of Planning. Councilmember Winslow asked about the Brownfields. Mr. Giornelli responded that the Beltline is a complicated project. The work plan approved by CD/HR Committee on yesterday includes a Budget for five years. There is money for Brownfield remediation. Councilmember Maddox asked if the contracts are under the Minority Act with the Office of Contract Compliance rules.

Mr. Giornelli responded yes. When the TAD was approved last year, there was a specific requirement to follow the EBO policies. Chairperson Shook stated that the changes in the Substitute are mainly grammatical. Page 5 shows the 6% interest. Ms. Carter responded that they are parameters for the Bond. Chairperson Shook stated page #8, Section 1.16, the Affordable Housing Trust Fund is new language.

**Mr. Doug Silvey:** Bond Counsel of Hunton and Williams addressed the Committee by responding that it is language to clarify the waiver related to the Housing Trust Fund. Chairperson Shook asked when will we see more details of how the money will be spent. Ms. Carter responded that the five year work plan is where the details are identified. Mr. Giornelli added that they do not have a Budget yet. Councilmember Hall asked about the targeted Economic Development area. Mr. Giornelli responded that Schedule 1 does not have the numbers attached to it. It is designed to reflect the work plan that has more specific items in it. Councilmember Hall asked what does Economic Development spending mean. Mr. Giornelli responded that it is money set aside. It is targeted for five Southside communities. Schedule 1 covers the entire Bond Issuance. Councilmember Muller stated that the Bond needs to say several things.

**Mr. Dick Laden:** Underwriter addressed the Committee by stating that there are two Schedules. Schedule 1 will be attached to the Second Supplemental Indenture that authorizes the Issuance of the Bonds. It is the broad general listing that goes back to the five year work plan. The second Schedule 1 is the expenditure of the BANS. It will be attached to the Indenture of the BANS. Chairperson Shook asked what is Exhibit A of the Master Indenture. Mr. Silvey added that it is the main requisition. It pulls money out of the Project Fund. Chairperson Shook asked if the last Section 206 in the Second Supplemental Bond was new language. Mr. Silvey responded that it is new language. It clarifies that the Tax Allocation District Bonds are not the general obligation of the City, but are limited to pledge revenues. Chairperson Shook asked what determines the fee on tab number #6 (Replacement Agreement). Ms. Carter responded that it is the Sales Replacement of the Notes. Councilmember Muller asked about Fulton County and ABOE time line for their approval. Mr. Giornelli responded that it does not have to come back for a full vote. The Resolution gave the Board the consenting authority. The ABOE Superintendent has the authority to sign for them and the Chairman of Fulton County has the authority to sign for Fulton County, so it does not have to go back on their Agenda. The items were discussed and negotiated back in February. The Fulton County pilot payment relates to the Library System. Fulton County is interested in Affordable Housing as well. They do not have the right to put a representative on the group that the City adopts, but they can put a representative on the Housing Advisory Group. Councilmember Muller asked which Resolutions came to the Community Development/Human Resources Committee. Mr. Giornelli responded that yesterday one Ordinance and two Resolutions came to that Committee. One of the preconditions of the Bond Issuance is to review an adopted work plan. We have engaged in discussions with CD/HR and both Resolutions were approved unanimously. The Beltline affects more people. The Council will vote on an Advisory Committee that now has around 60 people. We will also create a Citizen Participation Framework. It includes a community representative who will serve on the Beltline, Inc. Board of Directors. The Resolution proposes that City Council will appoint the representative. It requires a formal report from the community. It requires quarterly formal reporting and it sets up a Beltline Planning Unit. It is a very good project to include the communities. Councilmember Muller asked if it is 60 people more than it used to be. Mr. Giornelli responded that it is going to be similar to other community committees. Councilmember Muller asked how different is the framework adopted in the CD/HR Committee. Mr. Giornelli responded that the framework adopted in CD/HR Committee was adopted without Amendments. The Atlanta Planning Advisory Board (APAB) sent suggested Amendments that were not approved. We have had monthly meetings with APAB since January. Along the way, we agreed on the fundamental things. We ended up reflecting the substance of what we talked about for six months. It is a well recognized group that is concerned with the Beltline. Councilmember Muller stated that she received an email from AHAND stating that they had no direction of the

Issuance of the BANS regarding the Affordable Housing part. Is there a similar letter from ANDP? Mr. Giornelli responded yes, we can make copies of it and make it available. Councilmember Moore asked about page #2, in the Whereas Clause, what is the relationship of the IGA and the Atlanta Beltline, Inc. Who is the Atlanta Beltline Inc? Mr. Giornelli responded that they are a subsidiary of ADA. They are a separate entity. They have nine members who have defined its mission as an advocate for the Beltline. Councilmember Moore asked what is the Beltline Partnership? Mr. Giornelli responded that it is an independent nonprofit group that was set up to advocate for the Beltline process. The first of the five years consist of the \$57 million dollars that will come from campaigning. They are an accountability group. There is no public dollars to be used. Councilmember Moore asked about the IGA regards to new taxes. Mr. Giornelli responded that we want to brief the Council. Councilmember Moore then asked about page 2, the second to the last Whereas. Has the Redevelopment Plan been adopted? Mr. Giornelli responded yes, there cannot be a Tax Allocation District without a Redevelopment Plan. The question last year was if the Redevelopment Plan serves as a Land Use Plan. The community clearly stated that it did not want it as a Zoning Plan, CDP or a Land Use Plan. It should be a separate item. Councilmember Moore stated that she doesn't want to think that we adopted the plan and not the elements of it. Mr. Giornelli responded that it is not vital to a Redevelopment Plan. Councilmember Moore asked if we are projecting to what the Bond capacity will be. Mr. Giornelli responded that it is based on projections and the level of economic activities. Mr. Laden added that we have attempted and identified all of the Development and Redevelopment Projects. We will base our projections on the Bond Issuance. The BANS are estimated \$175 to \$195 million dollars. It goes on performance. Councilmember Moore asked if this paper gives a certain level of authorization. Mr. Laden responded that it will take care of the obligations the City took. Councilmember Moore asked if it is borrowing funds, then spending it. Mr. Laden responded yes. Councilmember Moore asked if the amount is \$35 million dollars. Mr. Laden responded that it is based on the cost of land acquisition between now and the end of the year. Councilmember Moore asked about page #4. Mr. Giornelli responded that is the original Bond. We set aside 15% for the Affordable Housing Trust Fund. Councilmember Moore asked if there is a set aside amount for the BANS. Mr. Giornelli responded that the BANS do not have a set aside amount until we issue the Bonds. There would have to be a legal requirement to do that. Councilmember Moore asked about page #5, Section 103. What is its purpose? Mr. Silvey responded that we are trying to authorize the Master Indenture and cover all of the Redevelopment Plan. Councilmember Moore stated that we are authorizing the BANS and simultaneously authorizing the Bonds. The Bond Issue will have to come back to us. Mr. Silvey responded that each time we would have to come back for approval. The status requires that you authorize the financing. You will validate the takeout financing. Councilmember Moore asked if they are equal. Mr. Silvey responded that Schedule 1 covers more. It is meant to cover everything the Bond would cover. CFO Davis added that Tab 1 is the Master Indenture, which covers the full program. Tab 2 is the First Supplemental Indenture that covers the BANS and Tab 3 is the Second Supplemental that covers the Bonds that will repay the BANS. Anytime we go into Supplemental 3, which should occur in a three to five year time frame will come back to City Council. We are required to show that we are able to pay for the BANS. We needed the Master Indenture to establish the plan. The Master Indenture is intended to pay for the next 25 years. It is intended to be the establishment of the Beltline approach. If it was a one shot deal, it would be one Ordinance. The Master Indenture is the plan of finance. Councilmember Muller asked if once we vote, can we continue with the discussion. Chairperson Shook responded that we will talk about a provision after the meeting is over. Councilmember Willis offered a motion to **Approve on Substitute, 6 Yeas, 1 Nay.**

Continuing, Councilmember Moore asked about page #5, Section 104, the amount of the interest of 6% seems to be high for this type of financing. Does it have to be that high? Mr. Laden responded that we expect the Bonds to be around 4%. The not exceed amount is so we won't have to come back to Council for another approval. The final issuance of the BANS is subject to Council's approval. Councilmember Moore asked



about the 8% on page #8. Mr. Laden responded that is the highest amount ever paid. We used it for Atlantic Station. Councilmember Moore asked what is the normal rate? Mr. Laden responded around 6%. We are trying to get the best interest rate possible. Councilmember Moore stated that there was language added regarding the CFO consultation. What does that mean? Mr. Laden responded that if something happens and the BANS cannot be issued by that 12 month period, then there has to be another source of funding to pay off the BANS. There may be unforeseen circumstances. Councilmember Moore stated that the other sources seem to be very generic. Mr. Laden responded that we can use the Tax Increments to pay off the BANS as well. CFO Davis added that it specifically says that these are limited obligations, so there is no looking to the General Fund. It is tied to resources from the TAD. By definition, we can only look to those revenues. Mr. Laden stated that it is pledged revenue. Money is deposited into the project account. Mr. Silvey added that it indicates the Master Indenture itself located on page #11. It has to be from legally available funds. Councilmember Moore asked about page #6, Section 105, second paragraph. What are we authorizing? CFO Davis responded that we are authorizing the Supplemental Bond before us along with additional Bonds. Mr. Silvey added that it is a technical provision, instances where certificates are destroyed. This is to re-register the certificates and the Bonds are refunded. It is not new debt, but replacements. Councilmember Moore asked about Section 109 and Section 110 on page #7 (Intergovernmental Agreement). Mr. Giornelli responded that if they approve something that is not substantial to what Council would approve, we would have to come back. Councilmember Moore asked about page #8 (Affordable Housing Trust Fund). Has the Board been formed? Mr. Giornelli responded no, there may be a separate Board for the Housing Board. There is another group going through the process right now. In the next ninety days we hope to make a decision. You have to approve the formation of an Advisory Board and approve a policy of how to spend the money. Councilmember Moore asked why would we adopt a policy and not have a Board. CFO Davis clarified that once the Legislation is approved, it will not come back for the BANS or the Bonds. As long as we can sell the Bonds, this is a one stop shop. Councilmember Moore stated that she finds it troubling to consider the intent of not establishing the Board. She is clear that the intent was to get the Board to recommend to Council whether to approve or disapprove. When will the Council have the opportunity to approve the Board? Mr. Giornelli responded that in the past, ADA solicited nominations. Councilmember Moore asked when this is adopted, what will come back to Council. Ms. Carter responded that the only thing to come back is the final pricing. CFO Davis made a correction stating that there will be no items coming back. There should be no need to come back. If the interest rate changes, we would come back. As it relates to the financing, it would not have to come back. Councilmember Moore stated that is her concern. If we give a blanket authorization, it needs to come back to us. CFO Davis responded that we stayed away from the two parts because of information being in the proper hand. Councilmember Moore stated that there is not enough specificity in this document. We only have a lump size number. CFO Davis responded that we try to stay generic in the Bond documents. If we get too specific, we make it too difficult for ourselves. Councilmember Moore asked what the money will be spent on. Mr. Giornelli responded that the expenditure is in accordance with the work plan. It is a very detailed document for the five-year plan. We have been diligent with City Council. Councilmember Moore stated that she is not disagreeing that people have done hard work. Mr. Giornelli responded that the entire pages are about the details of funding. Councilmember Moore asked what happens if you need more money. Mr. Giornelli responded that we have a Budget of what to spend the money on. Councilmember Moore stated that you have the authority to spend it on something else. Mr. Giornelli responded that we are putting 10% in our Reserves for unexpected situations. You may have to take the money from somewhere else. You are giving authority to Atlanta Beltline Inc. to implement the Beltline. We are providing a very detailed Budget to fulfill the task. Councilmember Moore stated that she will ask the Law Department about it. If there are changes, we need to be involved. She wants to know that what she approved is close to what is supposed to happen.

**Ms. Serena Sparks:** Deputy City Attorney addressed the Committee by stating that the work plan will be approved by Council. It went before the CD/HR on yesterday and will come to Council on July 17<sup>th</sup>. The only thing this document authorizes is the amount of money pursuant to the redevelopment power laws. The expenditure will be controlled by the work plan. Councilmember Moore stated that she understands that there needs to be something in the Ordinance regarding the work plan to authorize that. Deputy City Attorney responded that the expenditures are governed by the work plan. The initial Bond is \$220 million and \$35 for the BANS. Councilmember Moore stated that this is a blanket authorization that will not come back to Council. Why doesn't the Schedules have page numbers. CFO Davis responded that the reason we don't put numbers on it is because it is an agreement with us and the Bond Holder. If we tie dollars to the line items, you have to spend it that way. Councilmember Moore asked what are we looking at for the dollars. CFO Davis responded that once we give them the money and make Debt Service, we are out of it. Councilmember Moore asked if the BANS Budget a part of this document. CFO Davis responded no, it is an informational piece to further clarify what we mean without tying the City's hands. Ms. Carter added that we have appointments with other Councilmembers to go over the paper. Councilmember Moore stated that she knows where she needs to focus her attention on.

**TO AMEND THE 2006 (AIRPORT PASSENGER FACILITY CHARGE FUND AND AIRPORT REVENUE FUND) BUDGETS**

06-O-1574 (6) An Ordinance by Councilmember Clair Muller Amending the 2006 (Airport Passenger Facility Charge Fund and Airport Revenue Fund) Budgets by Transferring To and From Appropriations in the amount of twenty two million dollars and no cents (\$22,000,000.00) of Passenger Facility Charge Revenue for the purpose of funding Debt Service Charges associated with Runway 10-28 (5<sup>th</sup> Runway) at the Hartsfield-Jackson Atlanta International Airport; and for other purposes.

**REFERRED TO TRANSPORTATION COMMITTEE**

Chairperson Shook stated that it is being Referred to the Transportation Committee. It is a companion Legislation. Councilmember Muller offered a motion to **Refer to the Transportation Committee, 5 Yeas.**

**TO AUTHORIZE THE MAYOR OR HER DESIGNEE TO ENTER INTO A COOPERATIVE PURCHASING AGREEMENT**

06-R-1482 (1) A Resolution by Finance/Executive Committee Authorizing the Mayor or her Designee to enter into a Cooperative Purchasing Agreement pursuant to Section 2-1601 et seq. of the City of Atlanta Code of Ordinances, utilizing State of Georgia Contract #S-040750 with Kustom Signals, Inc., for the purchase of digital video equipment, on behalf of the Department of Police, in an amount not to exceed sixty nine thousand fifty dollars and no cents (\$69,050.00); all contracted work shall be Charged To and Paid From Fund Account and Center Number: 1B02 (Intergovernmental Grant Fund) 575001 (Equipment) X11T076B5J0 (Justice Assistance Grant); and for other purposes.

**FAVORABLE**

**Deputy Chief Banda:** of the Police Department addressed the Committee by stating that these are cameras for the DUI Taskforce. Councilmember Winslow offered a motion to **Approve, 4 Yeas.**

**TO AUTHORIZE THE MAYOR OR HER DESIGNEE TO ENTER INTO A COOPERATIVE PURCHASING AGREEMENT**

06-R-1483 (2) A Resolution by Finance/Executive Committee Authorizing the Mayor or her Designee to enter into a Cooperative Purchasing Agreement pursuant to Section 2-1601 et seq. of the City of Atlanta Code of Ordinances, utilizing the State of Georgia Contract #A63307 with Dell Marketing, L.P. for the purchase of twenty (20) laptop computers, on behalf of the Department of Police, in an amount not to exceed forty seven thousand seven hundred fifty three dollars and sixty cents (\$47,753.60); all contracted work shall be Charged To and Paid From Fund Account and Center Number: 1B02 (Intergovernmental Grant Fund) 521105 (Supplies, Non-Consumable) X11T0762B5J0 (Justice Assistance Grant); and for other purposes.

**FAVORABLE**

Deputy Chief Banda stated that these are 20 laptops used by the Police Officers, which there is no cost to the City. Councilmember Winslow asked if there is still money available for Grants. Deputy Chief Banda responded that there are funds from Homeland Security, but they have to be used for specific uses. Councilmember Winslow offered a motion to **Approve, 4 Yeas.**

**TO AUTHORIZE THE MAYOR OR HER DESIGNEE TO ENTER INTO A PURCHASING AGREEMENT**

06-R-1484 (3) A Resolution by Finance/Executive Committee Authorizing the Mayor or her Designee to enter into a Purchasing Agreement pursuant to Section 2-1601 et seq. of the City of Atlanta Code of Ordinances, with Noritsu America Corporation, utilizing the State of Georgia Contract 1122 Program for the purchase of photo lab equipment, on behalf of the Department of Police, in an amount not to exceed one hundred one thousand, two hundred thirty two dollars and no cents (\$101,232.00); all contracted work shall be Charged To and Paid From Fund Account and Center Number: 1B02 (Intergovernmental Grant Fund) 575001 (Equipment) X11T0762B5J0 (Justice Assistance Grant); and for other purposes.

**FAVORABLE**

Deputy Chief Banda stated that this is to change our photo lab to digital cameras. We currently have a 35 millimeter camera lab. Councilmember Winslow offered a motion to **Approve, 4 Yeas.**

**TO AUTHORIZE THE MAYOR OR HER DESIGNEE TO ENTER INTO A COOPERATIVE PURCHASING AGREEMENT**

06-R-1485 (4) A Resolution by Finance/Executive Committee Authorizing the Mayor or her Designee to enter into a Cooperative Purchasing Agreement pursuant to Section 2-1601 et seq. of the City of Atlanta Code of Ordinances, utilizing the State of Georgia Contract #A63307 with Dell Marketing, L.P. for the purchase of one hundred and twenty five (125) Dell Optiplex GX620 Computers, on behalf of the Department of Police, in an amount not to exceed one hundred ninety three thousand six hundred twenty five dollars and no cents (\$193,625.00); all contracted work shall be Charged To and Paid From Fund Account and

Center Number: 1B02 (Intergovernmental Grant Fund) 521105 (Supplies, Non-Consumable) X11T0762B5J0 (Justice Assistance Grant); and for other purposes.

**FAVORABLE**

Deputy Chief Banda stated that this is for 125 computers under the Justice Assistance Grant (JAG). Councilmember Winslow offered a motion to **Approve, 4 Yeas.**

**AN AMENDMENT TO THE CHARTER OF THE CITY OF ATLANTA**

06-O-0380 (1) An Ordinance by Finance/Executive Committee an Amendment to the Charter of the City of Atlanta proposed under and by virtue of the authority of the Municipal Home Rule Act of 1965, O.C.G.A. Section 36-35-1. et seq., as amended, so as to amend the Charter of the City of Atlanta, Georgia, 1996 Ga Laws P. 4469, et seq., by amending Article 3, Chapter 1, Section 3-104 (14) so as to adjust the limitations upon the Mayor's Procurement authority from \$100,000.00 to \$1,000,000.00; to amend Article 6, Chapter 4, Section 6-402, so as to adjust the limitations on the Mayor's small purchase authority from \$420,000.00 to \$500,000.00 and to adjust the threshold requirement for approval of competitively procured contracts by the City Council of Atlanta from \$100,000.00 to \$1,000,000.00; to repeal conflicting Ordinances; and for other purposes. **(Substituted and Held, 2/15/06)**

**HELD**

**TO AMEND CHAPTER 2, ARTICLE III, SEC. 2-176, CHAPTER 2, ARTICLE V, SECTION 2-252 AND CHAPTER 2 ARTICLE X OF THE CODE OF ORDINANCES OF THE CITY OF ATLANTA**

06-O-0381 (2) An Ordinance by Finance/Executive Committee to amend Chapter 2, Article III, Sec. 2-176, Chapter 2, Article V, Section 2-252 and Chapter 2 Article X of the Code of Ordinances of the City of Atlanta, to provide more efficient, effective standards and procedures to better manage the procurement process in the City of Atlanta; to repeal conflicting Ordinances; and for other purposes. **(Substituted and Held, 2/15/06)**

**HELD**

**TO AMEND THE CODE OF THE CITY OF ATLANTA, GEORGIA BY ADDING TO SECTION 2-183; DEPARTMENT HEADS UNDER SUPERVISION AND DIRECTION OF THE MAYOR;**

06-O-0787 (3) An Ordinance by Councilmember Caesar C. Mitchell to Amend the Code of the City of Atlanta, Georgia by adding to Section 2-183; Department Heads under supervision and direction of the Mayor; exception responsibilities; and for other purposes. **(Held, 3/29/06); (Finance/Executive Committee Substitute add the language "Notwithstanding the requirement of this section, within 48 hours of receipt by the City of a report or correspondence from a regulatory agency relating to audit, performance or investigation, the Mayor shall file with the City's Municipal Clerk a written notice indicating that such report or correspondence has been received by the City. As used in this section, the term "City" shall include the Mayor, department head or City employee", 7/12/06)**

**HELD AND SUBSTITUTED**

Councilmember Moore offered a motion to Hold and accept the Substitute. The Substitute adds the language within 48 hours in the receipt of the City.

**TO AMEND SECTION 146-26 (B), (C), (D), (E) AND (F) OF THE CODE OF ORDINANCES OF THE CITY OF ATLANTA**

06-O-1335 (4) An Ordinance by Councilmembers Howard Shook, Ceasar C. Mitchell and Clair Muller **as Substituted by Finance/Executive Committee Substitute (1), 7/12/06** to Amend Section 146-26 (b), (c), (d), (e) and (f) of the Code of Ordinances of the City of Atlanta so as to change the Ad Valorem Tax Rate of Real and Personal Property for the General Levy, Debt Levy, City Parks Levy, School Operating Levy, School Debt Levy and the Special Tax District Levy; to provide that the tax rates established herein shall remain fixed each year until Amended or Repealed; to repeal conflicting Laws; and for other purposes. **(Held and Substituted, 6/14/06)**

**FAVORABLE ON SUBSTITUTE**

CFO Davis stated that we are rolling the General Fund of 7.64 mills, Debt Levy of 1.43 mills, School Operating Levy of 20.24 mills, School Debt Levy of .104 mills, Park Levy of .50 mills and Special Tax District of 1.10 mills. This is a rollback of .11 for the City of Atlanta. Councilmember Moore asked how much decrease does it mean? The School Board is an increase. She then requested a chart. CFO Davis responded that she would provide that information. Councilmember Muller asked the CFO if she could go back to previous years and include Fulton and DeKalb County as well. She then asked why Council has to approve this on Monday. CFO Davis responded that we had to advertise for two weeks. Chairperson Shook stated that some of the information of the rollback is in the newspaper. Councilmember Hall offered a motion to **Approve on Substitute, 5 Yeas.**

**TO AMEND CHAPTER 2, ARTICLE X, DIVISION 4, SECTION 2-1188 © OF THE CITY OF ATLANTA CODE OF ORDINANCES**

06-O-1338 (5) An Ordinance by Finance/Executive Committee to Amend Chapter 2, Article X, Division 4, Section 2-1188 (C) of the City of Atlanta Code of Ordinances, to change the means by which public notice of contract opportunities is given, by providing for online solicitations for Procurement Services which are not governed by State Law, and repealing the requirement that solicitations be advertised in a newspaper of general circulation; and for other purposes. **(Held, 6/28/06)**

**HELD**

**TO AUTHORIZE THE MAYOR OR HER DESIGNEE TO ENTER INTO AN APPROPRIATE AGREEMENT WITH THE STATE OF GEORGIA DEPARTMENT OF TRANSPORTATION**

06-R-1450 (6) A Resolution by Councilmembers Mary Norwood and Ceasar C. Mitchell Authorizing the Mayor or her Designee to enter into an Appropriate Agreement with the State of Georgia Department of Transportation to accept funding in the amount of \$\_\_\_\_\_ for the maintenance of State Highways within the City Limits in furtherance of the City's partnership with the Department of

Transportation to provide employment opportunities to homeless individuals; and for other purposes. **(Held and Substituted, 6/28/06)**

**HELD**

**TO AMEND THE 2006 (SOLID WASTE SERVICES REVENUE FUND) BUDGET**

06-O-1451 (7) An Ordinance by Councilmembers Mary Norwood and Ceasar C. Mitchell Amending the 2006 (Solid Waste Services Revenue Fund) Budget by Adding To Anticipations and Appropriations the amount of \$\_\_\_\_\_ from the State of Georgia Department of Transportation for the purpose of funding litter removal and other services related to road maintenance within the City Limits in furtherance of the City's Partnership with the Department of Transportation to provide employment opportunities for homeless individuals; and for other purposes. **(Held and Substituted, 6/28/06)**

**HELD**

**ITEMS NOT ON AGENDA**

**TO RESCIND ORDINANCE 06-O-1154**

06-O-1591 (4) An Ordinance by Finance/Executive Committee to rescind Ordinance 06-O-1154 adopted by the Full Council June 19, 2006 and approved by the Mayor June 22, 2006, to Anticipate and Appropriate Bond Proceeds for the Hartsfield-Jackson Atlanta International Airport, Series 2006A Taxable Revenue Bonds in the amount of \$211,880,000 and Bond Proceeds for Series 2006B Revenue Bonds in the amount of \$21,980,000.00; and for other purposes.

**FAVORABLE ON FIRST READ**

**TO ANTICIPATE AND APPROPRIATE PROCEEDS FROM THE SALE OF LAND TO THE DOWNTOWN DEVELOPMENT AUTHORITY IN THE AMOUNT OF \$7,087,780.00**

06-O-1592 (5) An Ordinance by Finance/Executive Committee to Anticipate and Appropriate proceeds from the sale of land to the Downtown Development Authority in the amount of \$7,087,780.00; and for other purposes.

**FAVORABLE ON FIRST READ**

Continuing, Councilmember Moore asked the CFO about the 18 month Budget regarding the 2.2% COLA increase for Council Staff. She has not seen that. How does she recover that? CFO Davis responded that she would get the information for her. Councilmember Moore asked about the Defined Contribution Accounts. She then asked about the Life Insurance payments.

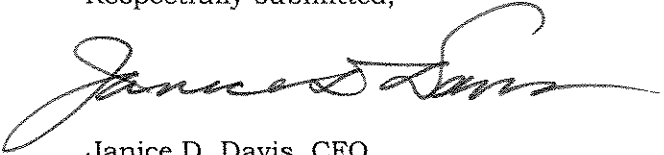
**Mr. Chuck Meadows:** Chief of Budget and Fiscal Policy addressed the Committee by stating that he will make sure that the Councilmembers Accounts get transferred. The next opportunity will be with the Capital Budget. The policy is to Budget the funds in a Reserve for COLA's. Council Accounts work differently. Mr. Meadows responded that salaries are adjusted by the Personnel Paper. We can draft legislation. Councilmember Moore reiterated her questions regarding the deduction regarding the Pension and Life

Insurance. CFO Davis responded that she will get that information. Chairperson Shook asked when will the Capital Budget be ready. Mr. Meadows responded it depends on the fiscal year Close Out period.

**ADJOURNMENT**

Having no further business before the Committee, the meeting was adjourned at 4:15 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Janice D. Davis", with a long, sweeping horizontal line extending to the right.

Janice D. Davis, CFO

Charlene Parker  
Recording Secretary

***"The Department of Finance... because customer service is important to us."***